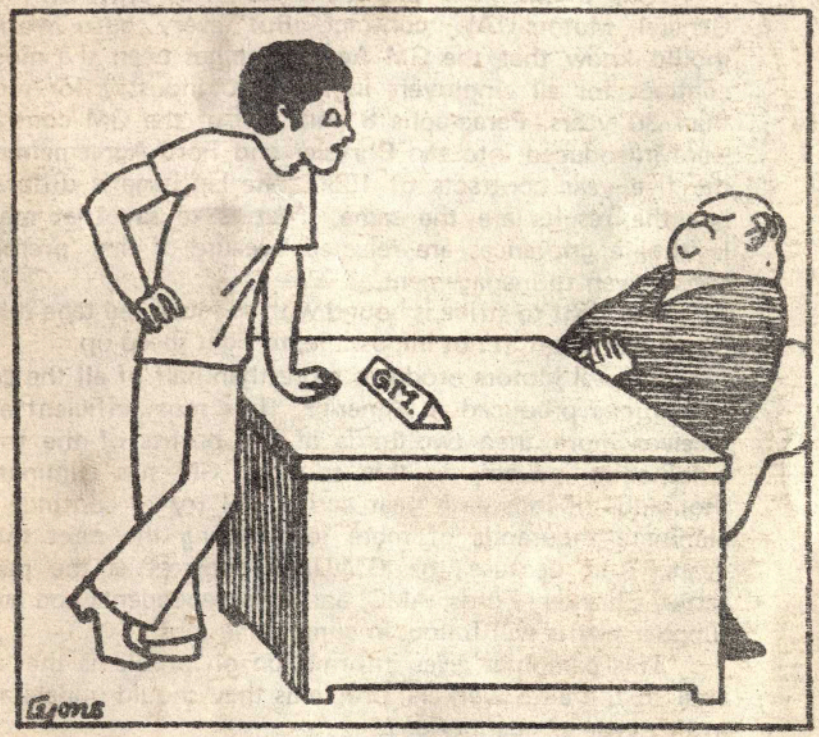
Working Conditions in GM:
A Bird's Eye View



One of our cars was stopped for speeding... and it was still on the line!

By John Anderson
Retired President
UAW Local 15

An ISO Pamphlet

PREFACE

It is a fact that this pamphlet deals only with the General Motors-UAW contract. But every auto worker should know that the GM Agreement has been the model contract for all employers in the auto industry for more than 30 years. Paragraphs 8 and 117 of the GM contract were introduced into the Chrysler and Ford Agreements in the five year contracts of 1950. The language is different but the results are the same. That is to say that many legitimate grievances are rejected because of the "prerogatives" given to management.

The right to strike is bound with so much red tape it has become difficult, if not impossible, to fight speed-up.

General Motors produces more than half of all the cars and trucks produced in America. It is most efficient and receives more than two-thirds of the profits of the total automobile industry in this country. GM has eliminated thousands of jobs each year and it will try to continue to eliminate thousands of more jobs during the next three years. And because the GM-UAW contract is the pacesetter, Chrysler, Fords, AMC, and all independents and auto supplier plants will follow in eliminating jobs.

This pamphlet gives information on problems that are vital to the auto workers; problems they should understand in this year of negotiations.

HUMANIZE AND CIVILIZE THE PLANTS OR CONDITIONS IN THE PLANTS

Prior to the UAW-GM negotiations in 1964 Leonard Woodcock, then Director of the UAW-GM Department with the help of his staff and the UAW Research Department, drew up a document illustrating by their experiences the numerous shortcomings in the UAW-GM Agreement. They tell you how managements of many plants violate the Agreement, intimidate union members, shop committeemen and local union officers.

They give examples of dirty and unsafe working conditions, excessive overtime hours, speed-up, discrimination against minority groups and unequal wages between plants and geographical areas.

They make clear the failure of the grievance procedure because the management of many plants resorts to delaying tactics, intimidation of local union officers and committeemen. Management obstructs the grievance procedure by refusing to permit or by refusing to cooperate with local and International representatives in the investigation of grievances. When grievances are won managements often violate those settlements by failing to carry them out.

This document indicts the Corporation for its failure to engage in honest collective bargaining, and in short-changing its employees while making exorbitant profits for its stockholders. It is also a confession on the part of the UAW leadership that they and their policies have failed to provide good wages, reasonable hours and good working conditions in General Motors plants.

This document was put out in the form of "Newsletters" to the leadership of General Motors locals. The letters were dated from June 30 to July 10, 1964. I was able to obtain a copy from a Fleetwood Fisher Body committeeman. These letters have since been suppressed. No copies are obtainable either at Solidarity House or in Wayne State University Archives. (I shall soon furnish them with a copy.)

The original "letters" contain much verbiage and material of little interest to the public. I present here what I consider the most important facts in the document. Except for my explanatory remarks these are verbatim excerpts.

I was a worker at Fleetwood Fisher Body from 1936 until I retired in 1966. As president of Local 15, as chairman of the shop committee and as a delegate to UAW-GM conferences from 1937 to 1948 I learned how the GM Contract and UAW policies developed.

Since 1964 the UAW has won additional fringe benefits, but hours, wages and working conditions have improved little; in some plants they have gotten worse. While there have been a number of Directors of the GM Department, Walter Reuther was the chief negotiator from July, 1939 until his death in 1970. If he is to be given credit for the progress in General Motors he must also be held responsible for the failure to establish union conditions in the plants of the Corporation.

From my 30 years' experience at Fleetwood Fisher Body I know that this document doesn't exaggerate the bad conditions in GM plants nor does it magnify the lack of respect management shows for the UAW. The Company has always flagrantly violated the terms of the Contract. No provision is made in the Contract for its enforcement.

The fact that the contents of these "Newsletters" were never publicized shows the absence of an organized opposition. The news media is subservient to both the Corporation and the UAW bureaucracy. They wouldn't publish it.

When I received these "Newsletters" from the Fleetwood committeeman prior to negotiations, I saw the one dealing with Paragraph 8 – the Company's prerogatives. It says what I had been saying for years; that management used this Paragraph as the answer to many just grievances.

While the letters indicated a concern for the workers and their grievances, the UAW leadership has not to this day prepared the membership for the kind of all-out struggle necessary to solve these problems, or even make a serious dent in them.

At the last national UAW-GM conference I attended – 1948 – Walter Reuther reported a statement made to him by a top General Motors official. According to Reuther that official said, "Only by revolutionary means would Paragraphs 8 and 117 be changed." Paragraph 8 leaves management free to harass the workers on the job. Paragraph 117 prevents the workers from taking strike action except when authorized to do so by the International Union. These two paragraphs are used against militants who are critical of the Company or the UAW leadership.

Following 1964 negotiations I heard Woodcock make his report to the UAW-GM delegate conference. He said that the GM negotiators had treated him and his committee with contempt during negotiations. These officials sitting across the table from them had a smirk on their faces and were doodling while the UAW was presenting their case. They made it clear they didn't take seriously either the UAW economic demands nor the complaints of the Union.

The most pertinent facts in the 1964 position papers follow:

1964 UAW-GM NEGOTIATIONS

". . . Once again the individual worker is painfully aware that his right to personal dignity and humane treatment won with great difficulty across the bargaining table and on the picket line becomes meaningless because of the pressures he is subjected to hour after hour and day after day.

Workers in too many General Motors plants have been forced to perform their jobs in dirty and filthy conditions.

Protests have been made at all levels of the bargaining procedure in attempts to correct these situations. All too often these protests have fallen on deaf ears.

. . . In other areas employees were working on oil and grease coated machines surrounded by a foggy mist. Their persons and clothing were covered with a mixture of perspiration and oil. Needless to say, on the majority of these operations coveralls were not supplied.

In other situations employees have been compelled to work in areas where fumes, dirt, smoke or lead were not only distasteful but were a definite hazard to their health . . . .

Numerous operations are sufficiently dirty to require the use of coveralls. Yet in all too many situations Local Management refuses to furnish adequate wearing apparel to the employees on these operations . . . ."

VENTILATION

"A frequent problem is encountered in securing adequate and proper ventilation. Complaints must be raised again and again in order to secure relief even on a partial and temporary basis.

When temperatures or weather conditions are abnormal, the employees face a special problem. All too frequently Management not only will not agree to shut the plant down early to provide relief, but will even insist on working overtime despite the pleas of the Local Union and the groans of the workers in the plant."

THE SICK WORKER

"Many employees upon reporting to some plant hospitals for treatment are ridiculed by the hospital staff . . . ."

WORKERS' RELIEF PERIOD

"In many plants of the Corporation the Local Managements have taken the position that when an employee is relieved from his operation he must march directly to the washroom and either stay there during his entire relief period or return immediately to the operation and resume work.

At least one plant when hard pressed to defend this absurd order modified it to the extent that the employees could leave the rest room, but still insisted they must stand at attention in a designated area until their relief period was ended . . . ."

PRODUCTION STANDARDS

"Any mention of working conditions cannot be separated from the basic problem of how much work an employee can be forced to perform during the course of the day. Standards established in the various plants of the Corporation are notorious for their failure to include any allowance for fatigue. Employees who work on heavy jobs, hot operations, or on conveyor and assembly lines are expected to perform at the same pace during the entire work day. Although an employee works eight, ten or twelve hours without letup he is expected to perform at the same high peak of efficiency during every single hour. No recognition is given whatsoever to the plain and simple fact that workers become tired when subjected to the forced work pace in effect in the Corporation plants . . . .

In the vast percentage of cases the employee is chained to his particular operation. His movements are confined to a few feet up and down the assembly line. He is not free to

engage in any form of the normal releases common to other workers. Should he encounter difficulty with a particular element of his job he loses line position since the conveyor always keeps running with no sympathy for his individual problems.

If he leaves his work place to go for a drink of water he must increase his tempo in order to 'stay out of the hole.' Even in those situations where he straightens up in order to ease aching muscles he must pay the penalty of lost position for the rule of the day is 'the line must never stop.'

Simple acts such as adjusting gloves or aprons, cleaning his safety glasses, or blowing his nose all mean that he must work harder to make up for the lost time . . . .

In every such instance any momentary pause or loss of work time has to be made up in some fashion. As he completes one operation there is another and ever another bearing down on him . . . ."

PROBATIONARY EMPLOYEES

"Temporary or probationary employees are particularly vulnerable to the never-ending production drives of the Local plant Managements. Without protection, the unhappy probationer has little choice but to attempt to achieve the standard which is set up on the operation. Failure to keep up means discharge.

All too often when a seniority employee lodges a complaint about the standard on his operation a hapless temporary employee will be assigned to perform it . . . ."

I-T-D: INTERVIEWED, THREATENED, DISCIPLINED

"Often when an employee dares to protest his work load he will be threatened by supervision with immediate

transfer to the Siberia of a dirty or filthy operation. A common complaint from hundreds of workers is that they are continually threatened with assignment to undesireable jobs such as pit operations. Even the Union's Committeemen are not spared these threats of vengeance when they file a Paragraph 78 grievance for an employee.

Other employees who claim their job is improperly established are given the I-T-D treatment of being interviewed, threatened and disciplined . . . ."

PARAGRAPH 8

"When the Union attempts to have the line speed regulated in accordance with actual production requirements, a great many Managements piously invoke Paragraph 8 (management's prerogatives) . . . .

Frequently Management's first approach to a work standards dispute is to remove work from the aggrieved employee and to place it on some other employee elsewhere in the area. In a number of situations when the Union has inquired as to where the removed elements are going the information has been deliberately withheld . . . .

In many instances a complaint is filed on a specific operation as it exists at that time. After the Committeeman has completed his investigation and the grievance has been processed through the various steps of the Production Standards Section, Management frequently rearranges the operation in dispute. Normally this is done without notifying the Union . . . .

During the most recent model run there have been numerous occasions where the Union negotiated work pace grievances with Management only to have the same problems arise again and again – sometimes within a matter of a few short days.

In these situations where the Management clearly violates a written settlement of a production standard grievance

the grievance shall be reinstated at the relative step in the grievance procedure where the initial settlement was arrived at . . . ."

EQUAL PAY FOR EQUAL WORK

"Despite occasional efforts to more toward equal pay for equal work in General Motors plants the total General Motors wage system today is most unequal . . . .

Even within the same management divisions, however, there are wide variations. In both the Fisher and Chevrolet chains, the Janesville, Wisconsin plants are by far the lowest paid, a shortchanging certainly not warranted by performance . . . . Only General Motors in the automotive industry seems to maintain geographic and area wage differentials, as for example in most plants in Indiana . . . ."

ANNUAL IMPROVEMENT FACTOR AND COST-OF-LIVING WAGE ADJUSTMENTS

"Correction of the faulty arithmetic and technical defects in the improvement factor cost-of-living formula is essential if GM workers and their families are to enjoy the high and steadily rising living standards which reflect the full productivity of our national economy and which are necessary if the economy is to achieve its full potential. GM workers and their families are entitled to the means of making economic progress just as other Americans, including the Management and stockholders of General Motors. They are entitled to their full share -- not just a part share . . . .

There is ample evidence that the lack of sufficient consumer buying power, and in particular the failure of real wages and salaries to keep pace with the rate of productivity advance over the past several years, have been major factors in our failure to maintain full employment or full use of our

productive capacity.

. . . . Comparable figures for the motor vehicle industry are available only through 1962, but they show essentially the same picture. Real compensation per manhour of employees in the industry increased by only 15.7 percent during this period, while productivity in private industry advanced 20.2 percent . . . .

BLS has published no auto industry productivity figures since 1940, but data are available from various other sources, which make it possible to develop estimates of the productivity advance in the auto industry. Although the estimates vary, depending on the data used, all indicate that productivity advances in the auto industry are significantly greater than in the private economy as a whole. For example, the Federal Reserve Board computes a production index for the industry, including the parts and accessories manufacturers, which make it possible to approximate the extent of productivity advance in the post-war period.

These data show that from 1947 through 1963 the production of the auto industry has more than doubled, increasing by 110.1 percent. During the same period, according to BLS data, the number of production worker manhours paid in the industry declined by 1.9 percent. This means that the industry's increased productivity per manhour paid, 114.2 percent -- an average of 4.9 per year over the entire period . . . .

For the period 1956-62, use of the FRB and BLS data gives an amazing increase in output per production worker manhour of 46.6 percent -- an average rate of 6.6 percent per year . . . ."

CORPORATION PROFITS

"According to the Corporation's financial statement, between 1960 -- the last full year before the current collective bargaining agreement came into effect -- and 1963, the

Corporation's sales increased 29.5 percent. Its profits increased 64.6 percent before taxes, and 66 percent after taxes. The dividends paid to its stockholders increased by a whopping 99.1 percent -- virtually doubled. (The extra dividends paid in 1963 were equal to 73 cents per hour for every hour worked by the Corporation's U.S. hourly workers.) But the wages and salaries paid to all General Motors employees throughout the world increased by only 23.7 percent, and the wages paid to hourly rated employees increased by only 23.4 percent. Profits and dividends increased several times as fast as the Corporation's sales. The wages and salaries paid to GM workers increased at a substantially slower pace than the value of the goods they produced.

Although 1963 was a record year, 1964 bids fair to break the 1963 records, and continue in the same pattern . . . ."

THE GM WORKER VS THE GM STOCKHOLDER

"In 1947 a General Motors worker, earning the average GM hourly wage and fully employed for the whole 52 weeks of the year, would have earned $3,009. A General Motors stockholder who owned 1,003 shares of GM common stock at the beginning of 1947 would have received an equal amount, $3,009, in dividends.

Since that time, however, the GM stockholder's dividends would have soared and the value of his stock would have multiplied many times, while the GM worker's earnings would have crept very slowly upward.

For just two years 1962 and 1963, the GM worker's wages, if he was fully employed, would have totalled $14,588. The stockholder's dividends would have amounted to $47,125 -- almost three times as much -- while in just those two years the increase in market value of the stock would have represented a potential capital gain of $131,267 more.

The stockholder's total gain of $173,393 for the two years would have been equal to 12 times the worker's earnings.

Over the entire 17 year period from the beginning of 1947 to the end of 1963, the worker's earnings would have totalled $68,311, an average of $5,077 per year. For the same period the stockholder would have received $192,074 in cash dividends and would have a potential gain of $423,704 for a total of $615,778, or an average of $36,222 per year -- more than seven times as much as the worker's wages.

To put it another way an investment of only $7,406 in General Motors stock at the beginning of 1947 would have yielded the stockholder the same total return as the average GM worker was paid for 17 years of labor . . . ."

PARAGRAPH 8

"Paragraph 8 of the current General Motors-UAW Agreement reads:

> 'The right to hire; promote; discharge or discipline for cause; and to maintain discipline and efficiency of employees, is the sole responsibility of the Corporation except that Union members shall not be discriminated against as such. In addition, the products to be manufactured, the methods, processes and means of manufacturing are solely the responsibility of the Corporation.'

. . . In many plants and locations Management has rejected legitimate grievances out of hand on the ground that the language of Paragraph 8 gave unrestricted managerial rights in the areas specified with the sole exception that Union members shall not be discriminated against as such.

Paragraph 8 has become a convenient shield for any management to justify any inflicted wrong . . . .

Accordingly, Paragraph 8 shall not be continued in the new Agreement, unless mutually accepted language can be developed which will put in proper perspective the various items specified and which will make clear the mutuality of interest of the employer and the employee, the Corporation and the Union in these improperly termed 'Management rights.

PARAGRAPH 6 (a) DISCRIMINATION

"In the negotiations of 1961, a historic, but still partial step was taken toward the containment of employment discrimination in General Motors plants when Paragraph 6 (a) was added to the Agreement.

It was partial in that it constituted only one first step, as it applied only to those who already had been hired and did not include other categories of human beings against whom employers' discrimination is aimed, namely women, and those older in years."

FOREMEN WORKING

"We can no longer tolerate the picture of an oil stained, grease covered foreman, tools in hand and gloves in pocket sarcastically declaring that he has no knowledge of a violation of Paragraph 215. If we are to eradicate the problem of non-represented people doing hourly rated work the language of Paragraph 215 must be strengthened and made meaningful . . . .

The assurances of the Corporation that they desire to eliminate this problem are simply not borne out by the actions of their subordinates at the plant level . . . . As long as a foreman feels that he has the tacit approval and support of higher supervision when he violates Paragraph 215 these violations will continue . . . ."

REPRESENTATION AND GRIEVANCE PROCEDURE

"In the past several years one of the Union's constant complaints has been the restrictions imposed upon committeemen. Shop rules and Agreement provisions have all too often been used to impede committeemen and to prevent them from functioning as equal participants in the collective bargaining process. In addition, the amount of time available to handle employee complaints has been used to prevent employees from obtaining adequate and proper representation. These harsh restrictions place the Union at a distinct disadvantage in the day to day bargaining at the all-important plant level. For it is here that the workers in the shop form their opinion of the real relationship between the Corporation and the Union.

The Agreement contains no restrictions whatsoever on the amount of time that Management personnel may spend attending to grievance problems nor does it restrict the number of Management personnel. Clearly here Management has a decided and significant advantage over the employees' elected representatives . . . .

When trouble occurs in the plant or when there are threats of unauthorized strike action local Management willingly provides the President of the Local with stature and responsibility. Many are the Local Presidents who have been awakened in the wee hours of the morning and summoned to the plant when it suited Management's purpose.

Once the crises ended, however, the Local President was quickly put in his place – until the next time . . . .

The committeemen are constantly intimidated, threatened, 'placed on notice' and told they will be penalized if they do not acceed to the supervisor's wishes and roll over and play dead. In far too many cases the threats are carried out.

The Union representatives do not live in a vacuum but are well known to all employees in their area. When a Union

Representative is summarily marched out of the plant by the Management fife and drum corps, subjected to interview and ultimately suspended or discharged, there is a lasting impact on every worker who observes this recurring ritual.

Even though months later the Union may be successful in presenting the committeeman's case to the Umpire the workers are aware that at least for the intervening period of time the committeeman was certainly without stature and in jeopardy of his livelihood.

In such situations the Management is never the loser, but always the winner for the lesson is clearly apparent to everyone in the plant. A few hundred dollars back pay is small cost for impressing on everyone 'it could happen to you' and there is always the chance the Management may be upheld . . . ."

DISCIPLINE

"Discipline does not take place in a sterile vacuum where it can be isolated and examined at leisure. By its very nature it is a violent method of coping with shop problems. It is capital punishment with a vengeance. In the majority of cases the axe falls in full view of other workers in the area. They are forced to watch the unfortunate employee as he is collared and marched out of the department under escort. Those who did not observe it directly are quickly appraised of the action through the plant grapevine. In those cases where his fellow employees feel he is innocent of wrongdoing or is being harshly treated, a convulsive resentment races through the entire employee body . . . .

Through bitter experience the workers know it will take long weary months to obtain equity through the grievance procedure . . . ."

OVERTIME

"General Motors Corporation refused to agree to any contract protection against overtime abuses but did indicate that the overtime situation would be more closely policed than it had been in the period about which so much complaint had been made. In the conclusion of negotiations, on September 20, 1961, a policy letter to the General Managers was promised, but this did not reach the Union until October 6, 1961 . . . .

It read in part:

> 'Further, it is the intent of General Motors that under normal circumstances, daily work assignments of employees in production and production repair departments and on other non-skilled trades operations, do not exceed reasonable duration; however, only under unusual or unforseen conditions should require daily work assignments in excess of twelve (12) hours a day.

These words should have told the Union that the overtime situation would get worse. It did . . . .

The fact is that present overtime premium rates make it cheaper to work the existing forces overtime hours than to hire new employees.

In testimony before the Congress, Secretary of Labor Wirtz asserted that time and one-half in the automobile industry brought the hourly cost per worker (including fringes) to $4.46 - $4.51 per hour, whereas it would cost $4.71 per hour to recall workers to perform the same volume of work if the recalled workers were subsequently laid off with a resulting adverse effect on the employer's compensation experience rating position and his SUB contribution obligation. UAW calculations explained to the same Congressional committee, show the recall cost to be $5.02 rather than $4.71 . . . ."

THE SETTING OF PRICES ON GM CARS

"The Corporation has set its prices at a level that assures a profit even when it is operating at less than 50 percent of capacity. The Kefauver Committee estimated that the point at which it would cease to show a profit 'lies within the area of 40 - 45 percent of practical capacity.'

. . . General Motors has accumulated a vast reserve of cash and government securities far in excess of its operating needs, which on March 31, 1964 totaled the fantastic amount of $2.4 billion, not including an additional $1.1 billion in securities which had been set aside to meet income tax liabilities. These immense liquid assets prompted the Wall Street Journal to say some months ago that:

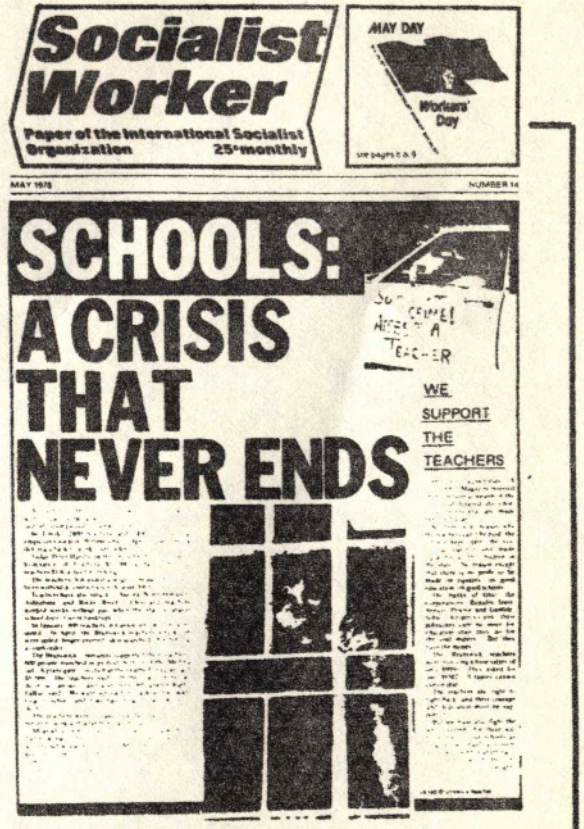
'A joke currently going around in Detroit is that General Motors Corporation is saving up to buy the Federal government.'

. . . When the amount of these idle funds become embarrassingly large, the Corporation can find no better way to reduce them than by paying out extra dividends to its stockholders . . . ."

BONUSES TO EXECUTIVES

"The General Motors Corporation could afford, based upon last year's operations, to pay out in bonuses to executives $120 million, equal to 15.4 cents per hour for every hour worked by every hourly rated worker in every one of of its plants in the United States . . . .

In 1963, General Motors actually took more in profits before taxes from its US operations than it paid out in wages to its US hourly rated employees . . . ."



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